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PARIS FOR ZEYA, LONDON FOR TSOU

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SUBJECT: A TALE OF TWO MUNICIPAL COUNCILS: THE DIVERGING
PATHS OF DAMMAM AND QATIF

REF: 2005 RIYADH 9402

Classified by Consul General John Kincannon for reasons 1.4
(b) and (d).

¶1. (C) Summary: Six months after the SAG announced its appointees to the municipal councils (reftel), the experiences of the Greater Dammam Municipal Council (GDMC) and the Qatif Municipal Council (QMC) illustrate two diverging paths in this experiment in partially elected local government. The GDMC is moving slowly, to the apparent frustration of its elected members. The appointed technocrats seem to have the upper hand, acting as a moderating influence between the controlling instincts of the mayor and the demanding if unorganized elected members. The dynamics on the QMC are markedly different: the well-organized elected members have the upper hand and are actively pressing ahead with a clear agenda. Their first order of business is to wrest control of Qatif's municipal budget from the Mayor of the Eastern Province, and they have mounted a coordinated lobbying campaign to achieve this goal.

In the end, however, both councils will face the same two challenges: limited institutional authority and dependence on Riyadh for their municipal budgets. End summary.

¶2. (U) This cable draws on conversations with nine elected and appointed members from the two councils. We have reported some of these conversations previously in 2005 RIYADH 8323, 9401, and 9434; and 2006 RIYADH 657, 1741, 3673, 3974, 4627, and 5036.

GDMC: "Slowly Setting the Base"

¶3. (C) In separate meetings with the CG on June 24 and 25, Dr. Abdullah Al-Kadi and Ehsan Abdul Jawad, both appointed members of the Greater Dammam Municipal Council, told the CG that the council was slowly developing. "We are setting the base for the next council in four years time," offered Abdul Jawad, a U.S.-trained engineer and businessman. "The council hasn't done anything useful yet for society at large, but it will," said Al-Kadi, a U.S.-trained architect and urban planner. Both identified the same two challenges facing the council. First, members had to learn about municipal administration from scratch. "It's not like running a business," Abdul Jawad noted ruefully, explaining that the finance and technical committees were just starting to understand how their respective areas worked at the municipality, four months into their tenure. Al-Kadi said that he had proposed, and the Ministry of Municipalities had agreed to, a one-day training in September for all of Saudi Arabia's municipal council members, to give them the tools to

be effective in their jobs. Abdul Jawad noted that the slowness of the process was particularly frustrating for elected members, who came to the council under pressure to deliver on their campaign platforms.

14. (C) The other challenge both members raised was the relationship between the mayor and the council. Abdul Jawad confirmed what one of the elected members alleged to us (reftel), namely that the Mayor of the Eastern Province (EP), Dhaifallah Al-Otaibi, had tried to take control of the council. "As soon as we were appointed," Abdul Jawad said, "the mayor called me up and asked me to vote for him as president of the council so that the elected members didn't take it over. I told him that he should not be both mayor and president of the council, and I wouldn't vote for him. So we agreed to support another appointed member, Khalid Al-Falih." Despite the mayor's wish to dominate the council, Al-Kadi noted, the other members had "insisted he was just one of us, just like the rest." Abdul Jawad said that Al-Otaibi had initially been very defensive about criticism and unwilling to give out information, but that he and his subordinates in the municipality were slowly becoming more forthcoming. Because of the antagonism between the mayor and the elected members, Abdul Jawad continued, he thought it was necessary that for the council's first term that half of the members had been appointed.

15. (C) Khalifa Al-Dossary, one of the elected members of the council and its highest vote-getter, has confirmed to us on several occasions the antagonism between Mayor Al-Otaibi and the elected members. In Al-Dossary's view, the mayor, supported by the appointed members, is not relinquishing any control and is not open to proposals from the members. Khalifa and his brother Yousef plan to attack the mayor

RIYADH 00005173 002 OF 003

through relentless questioning in the GDMC and in the EP Chamber of Commerce & Industry, where Yousef is a board member. The elected members, however, have diverging goals and agendas and were not able to block Al-Falih's election as president as the compromise choice of the mayor and the appointed members. Al-Falih, a career Saudi Aramco employee seen by many as the fastest rising star at Saudi Aramco and a potential future CEO of the company, has both his defenders and detractors. He is an enormously capable executive, yet the limited time he can free up from his demanding duties at Aramco make it difficult for him to be an effective head of the council. Some of the elected members see a type of collaboration between Al-Falih and Al-Otaibi (himself a retired Aramco executive) to "run the municipal council like Aramco." The mayor, for his part, told the CG that some of the elected members were "not of high quality" and expressed his indignation that, having won an election, they wanted to make decisions. Given the dynamics on the council, it is not surprising that the council has not been successful in reaching out to the public to date. A recent half-hearted effort at a town meeting resulted in a mostly empty hall, and when Najeeb Al-Zamil, a well-connected socialite, organized a forum to give Mayor Al-Otaibi a chance to present his plans for Greater Dammam, none of the municipal council members came.

Qatif: Reaching Out to the Grassroots and the Center

16. (C) Led by its well-organized elected members, a group of Shi'a activists and professionals with strong and overlapping community ties, the QMC has acted with a much more united front. As soon as the appointed members and by-laws were announced, the elected members coalesced around Jafar Al-Shayeb and subsequently won his election as president. Of the four elected members we have met with, three have advanced degrees from the U.S. and all four are professionals with technical backgrounds who run their own businesses. They quickly formed committees and identified several

priorities. Perhaps the most interesting of these priorities is wresting control of Qatif's budget from none other than EP Mayor Dhaifallah Al-Otaibi. Although Qatif has its own mayor who sits as an appointed member on the QMC, the budget for Qatif is determined by the Mayor of the EP, who is responsible for the budgets of Greater Dammam (Dammam, Khobar, and Dhahran) and Qatif. According to elected QMC member Riyadh Al-Mustafa, this situation is unique in the Kingdom: all other municipalities with municipal councils receive their budgets directly from the Ministry of Municipalities. "I know Al-Otaibi and have talked with him personally, but he refuses to give up control," added Al-Mustafa.

17. (C) QMC members have launched a multi-faceted campaign around the budget issue. Having failed to win Al-Otaibi's support, they are focusing their direct lobbying efforts on the Minister of Municipalities and believe he is sympathetic to their cause. They have also made a concerted effort to engage the media, both to put pressure on the government and to explain their position to their constituents. At a well-attended town hall meeting hosted by QMC members at the Tarut Charitable Society, members explained the implications of the budget issue and several promised to resign if Qatif did not receive a budget independent from the Emirate (Al-Otaibi reports to the Emir of the EP as well as to the Minister of Municipalities). Regional daily Al-Youm and Shi'a Internet site Rasid News Network both covered the meeting. Al-Mustafa said that QMC members had also made their case on a program on the municipal councils that aired on Saudi Channel One the week of June 24.

18. (SBU) The QMC has engaged the Qatif public on a number of other occasions, both as a team and as individuals. A recent QMC visit to the town of Safwa (in the Qatif oasis) received prominent coverage on Rasid, for example. The visit offered a forum for citizens to raise issues with council members and for council members to put pressure on the town administration to provide improved services to residents. We know that individual elected members have been active in soliciting input from the constituents of their districts, and at least one is trying to set up a network of elected advisory committees.

Comment

RIYADH 00005173 003 OF 003

19. (C) Comment: Both councils are progressing as one might expect given their institutional frameworks and the backgrounds and personalities of their members. In thinking about the potential for municipal councils to act as representative local government institutions, there are encouraging signs. Elected QMC members are organized, proactive, and cognizant of the importance of involving their constituents in the governance process. The GDMC members are starting to learn about municipal administration and developing an administrative framework for their work, albeit more slowly. Both councils are forcing a clearly reluctant Mayor Al-Otaibi to deal with them as legitimate and representative institutions. Yet what the councils will be able to accomplish without changes to their institutional framework remains an open question. As Abdul Jawad noted in reference to the municipal council by-laws, the councils "do not have too many authorities." Municipal jurisdiction is itself limited, municipalities are dependent on Riyadh for their budgets, and the councils' role is primarily advisory. We suspect that both councils will raise these issues over time with the Ministry of Municipalities, which apparently has a formal feedback mechanism. According to Abdul Jawad, Prince Mansour bin Miteb, the Deputy Minister of Municipalities, had asked for reports from the councils after two years with recommendations for improving their effectiveness. "We are ready to submit a report after one

year," Abdul Jawad continued; "time is passing." End comment.

(APPROVED: KINCANNON)
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